REMARKS/ARGUMENTS

Favorable reconsideration of this application as presently amended and in light of the following discussion is respectfully requested.

Claims 1-23, 26-28 and 32-37 are presently active, Claims 24-25 and 29-31 are canceled without prejudice, Claims 1-2, 4-6, 8-23, 26-28 and 32-34 are amended, and Claims 35-37 are added. No new matter is added.

In the outstanding Office Action, the abstract was objected to because of informalities. Claims 26-31 were rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the enablement requirement. Claims 25-31 were rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. Claims 1, 3, 21, 24 and 32 were rejected under 35 U.S.C. § 102(e) as anticipated by Petrovic et al. (US 2006/0005029). Claims 2, 4-13, 22 and 33 were objected to as dependent upon a rejected base claim, but were indicated as being allowable if rewritten in independent form. Claims 14-20 and 34 were indicated as allowed.

Regarding the objection to the abstract, a substitute abstract is provided. Thus, it is respectfully submitted that the objection to the abstract is overcome.

Regarding the 35 U.S.C. § 101 rejection of Claims 25 and 29-31, Claims 25 and 29-31 are canceled without prejudice. Therefore, the grounds for rejection of Claims 25 and 29-31 are now moot.

Regarding the 35 U.S.C. § 101 rejection of Claims 26-28, Claim 26-28 are amended to be directed to statutory subject matter. Thus, it is respectfully submitted that the 35 U.S.C. § 101 rejection of Claims 26-28 is overcome.

Regarding the 35 U.S.C. § 112, first paragraph, rejection of Claims 29-31, Claims 29-31 are canceled. Therefore, the grounds for rejection of Claims 29-31 are now moot.

Regarding the 35 U.S.C. § 112, first paragraph, rejection of Claims 26-28, Claims 26-28 are amended to comply with the enablement requirement. Applicant respectfully notes that since the original claims are part of the original disclosure, the computer readable medium encoded with a computer program, as now recited in Claims 26-28, are included in the original disclosure (e.g., in original Claims 29-31). Thus, it is respectfully submitted that the 35 U.S.C. § 112, first paragraph, rejection of Claims 26-28 is overcome.

Firstly, Applicant acknowledges with appreciation the indication of allowable subject matter in Claims 2, 4-13, 22 and 33 and the indication of allowance for Claims 14-20 and 34. However, independent Claims 2, 4-13, 22 and 33 are presently maintained in dependent form, because Applicant believes that independent Claims 1, 21 and 32, from which Claims 2, 4-13, 22 and 33 are dependent, include allowable subject matter.

Regarding the rejection of Claims 1, 3, 21 and 32 under 35 U.S.C. § 102(e), Applicant respectfully traverses the outstanding grounds for rejection, because in Applicant's view, rejected independent Claims 1, 21 and 32 patentably distinguish over <u>Petrovic et al.</u> as discussed below.

Initially, Applicant notes that although the outstanding Office Action mentions the figures 11-12 and the paragraphs 0163 and 0165 of Petrovic et al., these portions were added into Petrovic et al. when Petrovic et al. was filed as Continuation-in-part of application No. 11/124,465 on July 1, 2005. On the other hand, the present application was filed on July 2, 2003. Therefore, it is respectfully submitted that the figures 11-12 and the paragraphs 0163 and 0165 of Petrovic et al. are not qualified as prior art under 35 U.S.C. § 102(e).

Amended Claim 1 recites "a bandwidth adaptation processor configured to adapt a bandwidth of the code word with respect to a part of bandwidth of the original material item" and "an encoder configured to combine the bandwidth adapted code word with a copy

of the original material item, with an effect that the bandwidth adapted code word is combined with the part of the bandwidth of the original material item."

Instead, Petrovic et al. describes a method and apparatus for embedding information into content in a manner that minimizes the computational requirements at the time of embedding (Petrovic et al. at paragraph 0079). Further, Petrovic et al. describes an implementation of the ID value to user-specific content, which is particularly suitable for applications where the content provider wants to minimize distribution channel bandwidth utilization (Petrovic et al. at paragraph 0129). Thus, Petrovic et al. describes embedding an ID value into the original content. However, Petrovic et al. does not disclose adapting a bandwidth of the ID value with respect to a part of bandwidth of the original content. Further, Petrovic et al. does not disclose combining the bandwidth adapted ID value with the part of the bandwidth of the original content.

Thus, <u>Petrovic et al.</u> fails to disclose "a bandwidth adaptation processor configured to adapt a bandwidth of the code word with respect to a part of bandwidth of the original material item" and "an encoder configured to combine the bandwidth adapted code word with a copy of the original material item, with an effect that the bandwidth adapted code word is combined with the part of the bandwidth of the original material item," as recited in Claim 1.

Likewise, <u>Petrovic et al.</u> fails to disclose "adapting a bandwidth of the code word with respect to a part of bandwidth of the original material item" and "combining the bandwidth adapted code word with a copy of the original material item, with an effect that the bandwidth adapted code word is combined with the part of the bandwidth of the original material item," as recited in Claim 21.

Likewise, <u>Petrovic et al.</u> fails to disclose "means for adapting a bandwidth of the code word with respect to a part of bandwidth of the original material item" and "means for combining the bandwidth adapted code word with a copy of the original material item, with

an effect that the bandwidth adapted code word is combined with the part of the bandwidth of the original material item," as recited in Claim 32.

Accordingly, independent Claims 1, 21 and 32 patentably distinguish over <u>Petrovic et al.</u> Therefore, independent Claims 1, 21 and 32 and the pending Claims 2-13, 22, 28, 33 and 35-37 dependent from Claims 1, 21 and 32 are believed to be allowable.

Last, the Office Action Summary indicates that Claim 23 was rejected. However, in the outstanding Office Action, no ground for rejection is indicated with respect to Claim 23. Applicant respectfully submits that <u>Petrovic et al.</u> does not teach or suggest the elements recited in Claim 23, and therefore, Claim 23 is believed to be allowable.

In view of the amendments and discussions presented above, Applicant respectfully submits that the present application is in condition for allowance, and an early action favorable to that effect is earnestly solicited.

Respectfully submitted,

OBLON, SPIVAK, McCLELLAND, MAIER & NEUSTADT, P.C.

Customer Number 22850

Tel: (703) 413-3000 Fax: (703) 413 -2220 (OSMMN 06/04) Bradley D. Lytle
Attorney of Record
Registration No. 40,073

Kurt M. Berger, Ph.D. Registration No. 51,461

BDL/TY:pta
I:\attri/TY\AMEND-RESPONSES\282539\282539 Proposed Response due Mar 21 2007.doc